

DEPARTMENT OF PARKS AND RECREATION
CONCESSION CONTRACTS

CALENDAR YEAR 1972

Joint Legislative Audit Committee

ASSEMBLYMEN

CHAIRMAN
VINCENT THOMAS
SIXTY-EIGHTH DISTRICT
WILLIE L. BROWN, JR.
EIGHTEENTH DISTRICT
MIKE CULLEN
FORTY-FOURTH DISTRICT

GOVERNMENT CODE: SECTIONS 10500-10504

SENATORS

VICE CHAIRMAN
WILLIAM E. COOMBS
TWENTIETH DISTRICT
RANDOLPH COLLIER
FIRST DISTRICT
GEORGE DEUKMEJIAN
THIRTY-SEVENTH DISTRICT
GEORGE N. ZENOVICH
SIXTEENTH DISTRICT

California Legislature

VINCENT THOMAS
CHAIRMAN

ROOM 4126, STATE CAPITOL
SACRAMENTO, CALIFORNIA 95814
(916) 445-7906

MERRILL E. TOMPKINS, C.P.A., COORDINATOR
(916) 445-1890
EVE OSTOJA, OFFICE MANAGER
(916) 445-7906

October 5, 1973

The Honorable President of the Senate
The Honorable Speaker of the Assembly
The Honorable Members of the Senate and the
Assembly of the Legislature of California

Members:

We herewith transmit a report on a review by the Auditor General of concession contracts awarded by bid by the Department of Parks and Recreation during the 1972 calendar year. The Auditor General's review is required by Section 5019.26 of the Public Resources Code.

In the opinion of the Auditor General, the department prepared, advertised and awarded these contracts in accordance with the concessions contract provisions of Sections 5019.10 through 5019.26 of the Public Resources Code.

Respectively submitted,

Vincent Thomas
VINCENT THOMAS, Chairman
Joint Legislative Audit Committee

As required by Section 5019.26 of the Public Resources Code, we have reviewed concession contracts put to bid by the Department of Parks and Recreation during the 1972 calendar year. These contracts are listed on the attached Exhibit I.

In our opinion, the department has administered the bidding and awarding of these contracts in accordance with the concessions contract provisions of Section 5019.10 through 5019.26 of the Public Resources Code.



Walter J. Quinn
Acting Deputy Auditor General

Date: July 26, 1973

Staff: Wesley Voss
Steven Schutte

Exhibit 1

Department of Parks and Recreation
Schedule of Concession Contracts
Put Out to Bid during 1972

| <u>Park</u> | <u>Type Of Concession</u> | <u>Concession Contract Awarded To</u> | <u>Rental Rate</u> | <u>Term Of Contract</u> | <u>Estimated Capital Improvements To Be Made By Concessionnaire</u> |
|---|----------------------------|--|---|-------------------------|---|
| Columbia State Historic Park - Tuolumne County | Confectionary and bakery | Dorothy O. Nelson, Clarence R. and Olamae Nelson, Michael R and Janice D. Nelson | 5% of gross receipts \$600 per year minimum | 5 years | -0- |
| Columbia State Historic Park - Tuolumne County | Gift Shop | Robert L. and Maryann Hyde | 9% of gross receipts \$2,400 per year minimum | 5 years | -0- |
| Columbia State Historic Park - Tuolumne County | Saloon | (All bids rejected) | | | |
| McArthur - Burney Falls Memorial State Park Shasta County | Boat rentals | Joseph A. Nunes | \$300 per year | 3 years 10 months | -0- |
| Pismo State Beach - San Luis Obispo County | Golf course and restaurant | Le Sage Enterprises, Inc. | 6% of gross receipts up to \$150,000 plus 3.35% of any gross receipts over \$150,000, \$9,000 per year minimum rental | 3 years | \$8,700 |
| Point Mugu State Recreation Area - Ventura County | General store | Jack Mills, Ted Mills and Harvey Zweig | | | (No contract executed, bid deposit forfeited and concession project dropped.) |

| <u>Park</u> | <u>Type Of Concession</u> | <u>Concession Contract Awarded To</u> | <u>Rental Rate</u> | <u>Term Of Contract</u> | <u>Estimated Capital Improvements To Be Made By Concessionaire</u> |
|---|--|---------------------------------------|---|-------------------------|--|
| Richardson Grove State Park - Humboldt County | Coffee shop, grocery store, soda fountain, and gift shop | J. & T. Concessions Inc. | 14% of gross receipts \$9,000 per year minimum | 5 years | \$ 3,300 |
| Silverwood Lake State Recreation Area - San Bernardino County | Marina and snack bar | Pacific United Services Corporation | For the first 2 years: 6% of gross receipts. For the remaining 18 years: 7.5% of gross receipts up to \$100,000 plus 8.7% of any gross receipts over \$100,000, \$3,000 per year minimum rental. | 20 years | \$103,000 |